

SSB 6727 - H COMM AMD

By Committee on Finance

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 35.104.060 and 2009 c 564 s 921 are each amended to read as follows:

(1) The authority has all the general powers necessary to carry out its purposes and duties and to exercise its specific powers, including the authority may:

(a) Sue and be sued in its own name;

(b) Make and execute agreements, contracts, and other instruments, with any public or private entity or person, in accordance with this chapter;

(c) Employ, contract with, or engage independent counsel, financial advisors, auditors, other technical or professional assistants, and such other personnel as are necessary or desirable to implement this chapter;

(d) Establish such special funds, and control deposits to and disbursements from them, as it finds convenient for the implementation of this chapter;

(e) Enter into contracts with public and private entities for research to be conducted in this state;

(f) Delegate any of its powers and duties if consistent with the purposes of this chapter;

(g) Exercise any other power reasonably required to implement the purposes of this chapter; and

(h) Hire staff and pay administrative costs; however, such expenses shall be paid from moneys provided by the sponsoring local government and moneys received from gifts, grants, and bequests and the interest earned on the authority's accounts and investments. (~~During the 2009-2011 fiscal biennium, up to~~) No more than ten percent of the amounts

1 received under RCW 82.14.480 may be used by a health sciences and
2 services (~~(and sciences)~~) authority for the purposes of subsections
3 (1)(c) and (h) of this section.

4 (2) In addition to other powers and duties prescribed in this
5 chapter, the authority is empowered to:

6 (a) Use the authority's public moneys, leveraging those moneys with
7 amounts received from other public and private sources in accordance
8 with contribution agreements, to promote bioscience-based economic
9 development, and to advance new therapies and procedures to combat
10 disease and promote public health;

11 (b) Solicit and receive gifts, grants, and bequests, and enter into
12 contribution agreements with private entities and public entities to
13 receive moneys in consideration of the authority's promise to leverage
14 those moneys with the revenue generated by the tax authorized under RCW
15 82.14.480 and contributions from other public entities and private
16 entities, in order to use those moneys to promote bioscience-based
17 economic development and advance new therapies and procedures to combat
18 disease and promote public health;

19 (c) Hold funds received by the authority in trust for their use
20 pursuant to this chapter to promote bioscience-based economic
21 development and advance new therapies and procedures to combat disease
22 and promote public health;

23 (d) Manage its funds, obligations, and investments as necessary and
24 consistent with its purpose, including the segregation of revenues into
25 separate funds and accounts;

26 (e) Borrow money and incur indebtedness pursuant to section 2 of
27 this act;

28 (f) Make grants to entities pursuant to contract to promote
29 bioscience-based economic development and advance new therapies and
30 procedures to combat disease and promote public health. Grant
31 agreements shall specify the deliverables to be provided by the
32 recipient pursuant to the grant. Grants to private entities may only
33 be provided under a contractual agreement that ensures the state will
34 receive appropriate consideration, such as an assurance of job creation
35 or retention, or the delivery of services that provide for the public
36 health, safety, and welfare. The authority shall solicit requests for
37 funding and evaluate the requests by reference to factors such as: (i)
38 The quality of the proposed research; (ii) its potential to improve

1 health outcomes, with particular attention to the likelihood that it
2 will also lower health care costs, substitute for a more costly
3 diagnostic or treatment modality, or offer a breakthrough treatment for
4 a particular disease or condition; (iii) its potential to leverage
5 additional funding; (iv) its potential to provide health care benefits;
6 (v) its potential to stimulate employment; and (vi) evidence of public
7 and private collaboration;

8 ~~((f))~~ (g) Create one or more advisory boards composed of
9 scientists, industrialists, and others familiar with health sciences
10 and services; and

11 ~~((g))~~ (h) Adopt policies and procedures to facilitate the orderly
12 process of grant application, review, and reward.

13 (3) The records of the authority shall be subject to audit by the
14 office of the state auditor.

15 NEW SECTION. **Sec. 2.** A new section is added to chapter 35.104 RCW
16 to read as follows:

17 (1) A local government that has established a health sciences and
18 services authority under RCW 35.104.030 may, by ordinance or
19 resolution, authorize the authority to borrow money under the
20 conditions set forth in this section.

21 (2) Moneys borrowed by an authority must be secured by funds
22 derived from gifts or grants from any source, public or private,
23 federal, state, or local government grants or payments, or
24 intergovernmental transfers. An authority may not use revenues from
25 the tax authorized in RCW 82.14.480 to secure moneys borrowed by the
26 authority.

27 (3) The authority shall incur no expense or liability that is an
28 obligation, either general or special, of the state or local
29 government, or a general obligation of the authority, and shall pay no
30 expense or liability from funds other than funds of the authority.

31 **Sec. 3.** RCW 42.30.110 and 2005 c 424 s 13 are each amended to read
32 as follows:

33 (1) Nothing contained in this chapter may be construed to prevent
34 a governing body from holding an executive session during a regular or
35 special meeting:

36 (a) To consider matters affecting national security;

1 (b) To consider the selection of a site or the acquisition of real
2 estate by lease or purchase when public knowledge regarding such
3 consideration would cause a likelihood of increased price;

4 (c) To consider the minimum price at which real estate will be
5 offered for sale or lease when public knowledge regarding such
6 consideration would cause a likelihood of decreased price. However,
7 final action selling or leasing public property shall be taken in a
8 meeting open to the public;

9 (d) To review negotiations on the performance of publicly bid
10 contracts when public knowledge regarding such consideration would
11 cause a likelihood of increased costs;

12 (e) To consider, in the case of an export trading company,
13 financial and commercial information supplied by private persons to the
14 export trading company;

15 (f) To receive and evaluate complaints or charges brought against
16 a public officer or employee. However, upon the request of such
17 officer or employee, a public hearing or a meeting open to the public
18 shall be conducted upon such complaint or charge;

19 (g) To evaluate the qualifications of an applicant for public
20 employment or to review the performance of a public employee. However,
21 subject to RCW 42.30.140(4), discussion by a governing body of
22 salaries, wages, and other conditions of employment to be generally
23 applied within the agency shall occur in a meeting open to the public,
24 and when a governing body elects to take final action hiring, setting
25 the salary of an individual employee or class of employees, or
26 discharging or disciplining an employee, that action shall be taken in
27 a meeting open to the public;

28 (h) To evaluate the qualifications of a candidate for appointment
29 to elective office. However, any interview of such candidate and final
30 action appointing a candidate to elective office shall be in a meeting
31 open to the public;

32 (i) To discuss with legal counsel representing the agency matters
33 relating to agency enforcement actions, or to discuss with legal
34 counsel representing the agency litigation or potential litigation to
35 which the agency, the governing body, or a member acting in an official
36 capacity is, or is likely to become, a party, when public knowledge
37 regarding the discussion is likely to result in an adverse legal or
38 financial consequence to the agency.

1 This subsection (1)(i) does not permit a governing body to hold an
2 executive session solely because an attorney representing the agency is
3 present. For purposes of this subsection (1)(i), "potential
4 litigation" means matters protected by RPC 1.6 or RCW 5.60.060(2)(a)
5 concerning:

6 (~~(A)~~) (i) Litigation that has been specifically threatened to
7 which the agency, the governing body, or a member acting in an official
8 capacity is, or is likely to become, a party;

9 (~~(B)~~) (ii) Litigation that the agency reasonably believes may be
10 commenced by or against the agency, the governing body, or a member
11 acting in an official capacity; or

12 (~~(C)~~) (iii) Litigation or legal risks of a proposed action or
13 current practice that the agency has identified when public discussion
14 of the litigation or legal risks is likely to result in an adverse
15 legal or financial consequence to the agency;

16 (j) To consider, in the case of the state library commission or its
17 advisory bodies, western library network prices, products, equipment,
18 and services, when such discussion would be likely to adversely affect
19 the network's ability to conduct business in a competitive economic
20 climate. However, final action on these matters shall be taken in a
21 meeting open to the public;

22 (k) To consider, in the case of the state investment board,
23 financial and commercial information when the information relates to
24 the investment of public trust or retirement funds and when public
25 knowledge regarding the discussion would result in loss to such funds
26 or in private loss to the providers of this information;

27 (l) To consider proprietary or confidential nonpublished
28 information related to the development, acquisition, or implementation
29 of state purchased health care services as provided in RCW 41.05.026;

30 (m) To consider in the case of the life sciences discovery fund
31 authority, the substance of grant applications and grant awards when
32 public knowledge regarding the discussion would reasonably be expected
33 to result in private loss to the providers of this information;

34 (n) To consider in the case of a health sciences and services
35 authority, the substance of grant applications and grant awards when
36 public knowledge regarding the discussion would reasonably be expected
37 to result in private loss to the providers of this information.

1 (2) Before convening in executive session, the presiding officer of
2 a governing body shall publicly announce the purpose for excluding the
3 public from the meeting place, and the time when the executive session
4 will be concluded. The executive session may be extended to a stated
5 later time by announcement of the presiding officer."

6 Correct the title.

EFFECT: Removes language authorizing a second health sciences and
services authority. Prohibits an authority from securing debt with
sales tax proceeds.

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